

Hospital Outpatient Observation Services: Observation services are those services furnished by a hospital on the hospital premises, including use of a bed and periodic monitoring by a hospital's nursing staff or other staff which are reasonable and necessary to determine the need for a possible admission to the hospital as an inpatient. Most observation services do not exceed 1 day. Some patients may require a second day of outpatient observation services. A maximum of 48 hours of observation may be reimbursed. When a client receives hospital observation services and is thereafter admitted as an inpatient of the same hospital, the hospital observation services are included in the hospital's payment for the inpatient services.

Hospital Outpatient Services: Preventive, diagnostic, therapeutic, rehabilitative, or palliative services that are provided to outpatients under the direction of a physician or dentist in an institution that meets the standards for participation in 471 NAC 10-001.

When a client receives hospital outpatient/emergency room services and is thereafter admitted as an inpatient of the same hospital before midnight of the same day, the hospital outpatient/emergency room services are included in the hospital's payment for the inpatient services.

Hospital outpatient services furnished in the outpatient/emergency room to a patient classified as "dead on arrival" are covered through pronouncement of death, providing the hospital considers these patients as outpatients for recordkeeping purposes and follows its usual outpatient billing practices for services to all patients. This coverage does not apply if the patient was pronounced dead before arrival at the hospital.

Inpatient: NMAP classifies a person as an inpatient when the ~~earliest of the~~ following occurs:

1. A person has been admitted to a hospital for bed occupancy to receive hospital inpatient services. Generally a person is considered an inpatient if formally admitted as an inpatient with the expectation that s/he will remain at least overnight and occupy a bed even though it later develops that s/he can be discharged or transferred to another hospital and does not actually use a hospital bed overnight;
- ~~2. A patient receives 24 hours or more of continuous outpatient care. Such a patient is classified as an inpatient regardless of the hour of admission; or~~
- ~~2.3.~~ The patient has been formally admitted as an inpatient and death occurs before 24 hours elapse. These services are counted as one inpatient day.

All services are subject to review for appropriateness and medical necessity of the admission and/or level of care provided as required by 471 NAC 10-010.11.

Inpatient Days: A day begins at midnight and ends 24 hours later. The midnight-to-midnight method is to be used in counting days of care for Medicaid reporting purposes, even if the hospital uses a different definition of day for statistical or other purposes.

A part of a day, including the day of admission, counts as a full day. The day of discharge, death, or a day on which a patient begins a leave of absence is not counted as a day. (Charges for ancillary services on the day of discharge or death or the day on which a patient begins a leave of absence are covered.) If inpatient admission and discharge or death occur on the same day, the day is considered a day of admission and counted as one inpatient day.